

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

West Desert District Office
2370 South Decker Lake Blvd.
West Valley City, Utah 84119
ph: (801) 977-4300; Fax: (801) 977-4397
www.ut.blm.gov/saltlake_fo



M1045/0078
Leslie
Penny

In Reply Refer To:
3809 (UTW011)
UTU-87834

MAR 11 2014

Certified Mail No. 7013 0600 0001 8148 0186
Return Receipt Requested

RECEIVED

MAR 13 2014

DIV. OF OIL, GAS & MINING

DECISION

Rick Havenstrite
Desert Hawk Gold Corporation
1290 Holcomb Ave
Reno, NV 89502

: Surface Management
:
:

DETERMINATION OF REQUIRED FINANCIAL GUARANTEE AMOUNT

The Plan of Operations (Plan) for the Kiewit Mine Project was approved by the Bureau of Land Management (BLM) on January 7, 2014. Based on your reclamation cost estimate, the BLM review of the cost estimate, and consideration of the conditions of approval, the required financial guarantee amount is hereby set at \$324,000.00 for the reclamation of the portion of the Kiewit Mine project on BLM managed public lands. The financial guarantee amount for the entire project covering private, State, and BLM land was determined by The Utah Division of Oil, Gas and Mining (UDOGM) and BLM to be \$1,348,000. That amount was submitted by Desert Hawk Gold Corporation to UDOGM on February 20, 2014. UDOGM will issue you a decision as to the acceptability of your financial guarantee. You must not begin activities under the approved Plan of Operations until you receive notification from UDOGM that the financial guarantee has been accepted and obligated.

Appeal of the Decision

If you do not agree and are adversely affected by this decision, you may request that the Utah BLM State Director review this decision. If you request a State Director review, the request must be received in the Utah BLM State Office, P.O. Box 45155, Salt Lake City, Utah 84145-0155, no later than 30 calendar days after you receive this decision. A copy of the request must also be sent to this office. The request must be in accordance with the provisions provided in 43 CFR 3809.805. If a State Director review is requested, this decision will remain in effect while the State Director review is pending, unless a stay is granted by the State Director. Standards for obtaining a stay are given below. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

If the Utah State Director does not make a decision on whether to accept your request for review of this decision within 21 days of receipt of the request, you should consider the request declined and you may appeal this decision to the Interior Board of Land Appeals (IBLA).

You may contact the Utah BLM State Office to determine when BLM receives the request for State Director Review. You have 30 days from the end of the 21 day period in which to file your notice of appeal with the IBLA (see procedures below).

If you wish to bypass the State Director review, this decision may be appealed directly to the IBLA, in accordance with the regulations contained in 43 CFR, Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in the Salt Lake Field Office, located at 2370 South Decker Lake Blvd, West Valley City, Utah, 84119, within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

Request for a Stay

If you wish to file a petition pursuant to regulations 43 CFR 4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the IBLA, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of this notice of appeal and petition for a stay must also be submitted to each party named in the decision and to the IBLA and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

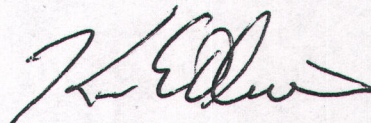
Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal must show sufficient justification based on the following standards:

1. The relative harm to the parties if the stay is granted or denied.
2. The likelihood of the appellant's success on the merits.
3. The likelihood of immediate and irreparable harm if the stay is not granted.
4. Whether the public interest favors granting the stay.

If you have any questions regarding this notice, or require additional information, please contact Stephen Allen of my staff at (801) 977-4360.

Sincerely,



Kevin E. Oliver
District Manager

cc: UDOGM, Leslie Heppler, 1594 West No. Temple, Ste. 1210# Box 145801, SLC, UT
84114-5801
UT923 - Opie Abeyta

Enclosure: Form 1842-1 Information on taking appeals to the IBLA